

**APPENDIX E**  
**(Amended January 2003)**  
**to the**  
**Wisconsin Works (W-2) and Related Programs Contract**  
**for the period January 1, 2002 through December 31, 2003**  
**between**  
**the State of Wisconsin Department of Workforce Development**  
**and**  
**«Field1»**

**PERFORMANCE STANDARDS FOR THE 2002-2003 W-2 AND RELATED PROGRAMS CONTRACT**

The Performance Standards have been established to measure appropriate and quality services being provided to W-2 and FSET participants. Performance Standards are organized by required criteria, optional criteria, and criteria used for information only.

This chart shows the required Performance Standards for:

1. Base Contract compliance (in addition to the other standards included in the Department's policies);
2. Right of First Selection for the next W-2 Contract (Contract Period 2004-2005). (Notes: 1) Right of First Selection status under this provision may be lost under section 16.2 of the Contract; 2) Right of First Selection is lost if the W-2 Contract is terminated; and 3) An agency with a contract start date after July 2002 will automatically be given the Right of First Selection as long as it meets the Contract Compliance Performance Standard for that agency and also meets the Financial Management Performance Standard as a W-2 provider.)
3. Level One Performance Bonus; and
4. Level Two Performance Bonus.

Except for agencies with a Partial Contract Period (see section 27.7.3), information will be measured for the period of January 1, 2002 through December 31, 2003. (Right of First Selection will be measured for the period January 1, 2002 through December 31, 2002.) Performance Standards are measured Contract-to-Date or Point-in-Time. Those designated as Contract-to-Date are cumulative beginning January 1, 2002 through the last working day of the report month. Those designated as Point-in-Time are measured on the last working day of each calendar month and an average for all months will be calculated to determine if the criteria have been met. **Note:** For a new W-2 agency, the first quarter will be excluded from each calculation to reflect agency start-up and transition if the W-2 agency requests the exclusion of the first quarter data by notifying the Department in writing by 12/27/02 to request this exclusion.

### **One Case Credit**

In order to recognize that in agencies, especially those with small caseloads, one case can make a significant difference in the calculation of the Performance Standards benchmarks, a One Case Credit is established.

A One Case Credit will apply when:

- a) The Department makes the final determination of whether a W-2 agency meets a benchmark level for a Performance Standard criteria;
- b) The W-2 agency does not meet a Benchmark for one or more of the following criteria: Entered Employment Placement Rate; Job Retention Rates; Full and Appropriate Engagement; Basic Educational Activity; Earnings Gain; Educational Activities Attainment; Assessment for Appropriate W-2 Placement and Extension, Timely and complete processing of twenty-four (24) and sixty (60) months extension requests and W-2 agency service meet or exceed expectations for consumer satisfaction.
- c) At least one of the W-2 agency's cases does not meet one or more of the benchmarks for the criteria in b) above; and
- d) The W-2 agency would meet a Benchmark for a criteria listed in b) above if one case that did not meet the criteria was instead considered by the Department to meet the criteria.

The One Case Credit will be applied only once per agency per criteria listed in b) above. The application of the One Case Credit will result in the W-2 agency meeting the Base Contract Compliance Benchmark or the next Benchmark beyond the Benchmark that the W-2 agency would otherwise meet without the application of the One Case Credit. Example: A W-2 agency meets the Base Contract Compliance Benchmark for Entered Employment Placement Rate but does not meet the Level One Performance Bonus benchmark or the Level Two Performance Bonus Benchmark. Application of the One Case Credit would allow the agency to meet the Level One Performance Bonus Benchmark but not the Level Two Performance Bonus Benchmark.

### **Zero Case Credit**

The Department will apply a special Zero Case Credit to any W-2 agency with no cases for a Performance Standard (if there are any W-2 agencies with zero cases at the time of the Department's Performance Standards calculations). The Zero Case Credit will result in any W-2 agency with no cases meeting the Base Contract Compliance Benchmark and Right of First Selection (RFS) Benchmark, but not meeting the Level One Performance Bonus Benchmark and Level Two Performance Bonus Benchmark. In order to be eligible for a Level One Performance Bonus or a Level Two Performance Bonus, the W-2 agency must have at least one case for the Performance Standard.

### **Worker Error Adjustment**

The Worker Error Adjustment process outlined in BWSP Operations Memo 00-72, which was developed to address unusual or non-recurring events, will remain in effect for the 2002-2003 Contract Period. To request consideration, a W-2 agency must submit a written request in accordance with the Department's Policies and Procedures.

### **Risk Protection Adjustment**

At the request of a W-2 agency that is not a tribal agency the Department will reassess the Performance Standards benchmark when the county's average unemployment percentage rate for the most recent three (3) months period is at least 6.5% and at least equal to 110% of the county's unemployment rate for the corresponding three (3) months period in either of the two (2) preceding calendar years. At the request of a tribal W-2 agency, the Department will reassess the contract benchmark if the tribal government documents the following: a tribally operated enterprise employing at least 10% of the tribal workforce has closed for at least a three (3) month period; or there has been at least a 10% reduction in the tribe's per capita payment for the most recent three (3) month period, compared to the corresponding three (3) month period in either of the two (2) preceding calendar years.

The Risk Protection Adjustment is designed to allow unique circumstances related to unemployment of each rate agency to be considered by the Department. Use of this adjustment in the 2002-2003 Contract Period will take the place of the regression analysis model identified in the 2000-2001 W-2 Contract, as the Risk Protection Adjustment accounts for local labor market conditions and unemployment rates. The Department will apply this adjustment as follows:

The unemployment rate for the county is converted into an employment rate by subtracting the unemployment rate from 100. For each Performance Standard to which the Risk Protection Adjustment applies, the benchmark is multiplied by the agency's unemployment rate and is then divided by 93.5.

Example:

County average unemployment rate is 12%

Employment rate = 88 (100-12)

Entered Employment Placement Rate standard would be adjusted as follows:

$$\frac{35 \text{ (Benchmark)}}{93.5} = \frac{x}{88}$$

x = 32.94%, the new Benchmark level

The Risk Protection Adjustment may be applied to the following Performance Standards:

Entered Employment Placement Rate,  
Job Retention Rates, and  
Earnings Gain.

